

Background on the Oil and Gas Severance Tax and Oil and Gas Production in Utah

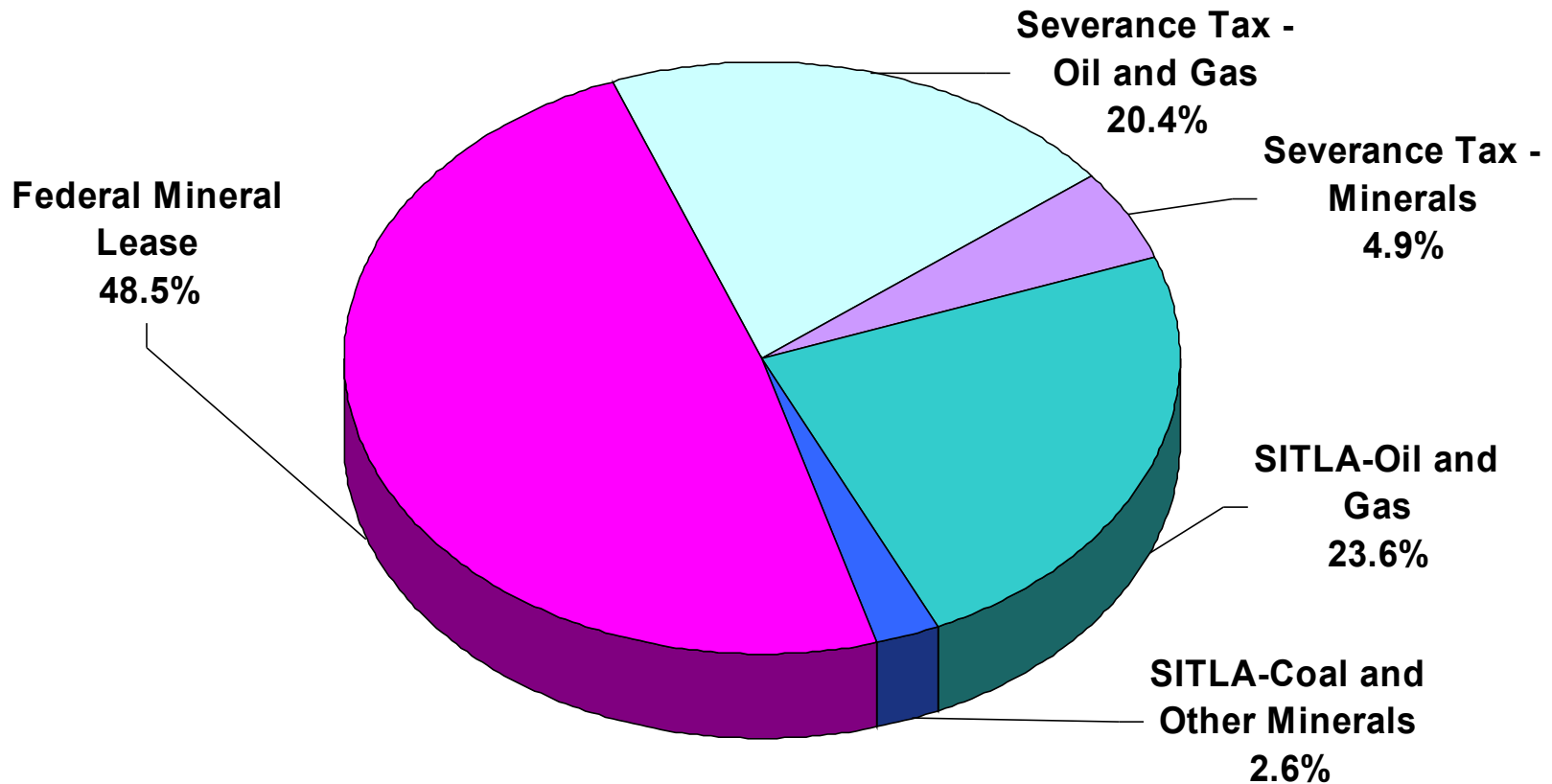
Utah Tax Review Commission
June 12, 2008



Prepared by the Office of Legislative Research and General Counsel

Sources of Revenue from Mineral Production

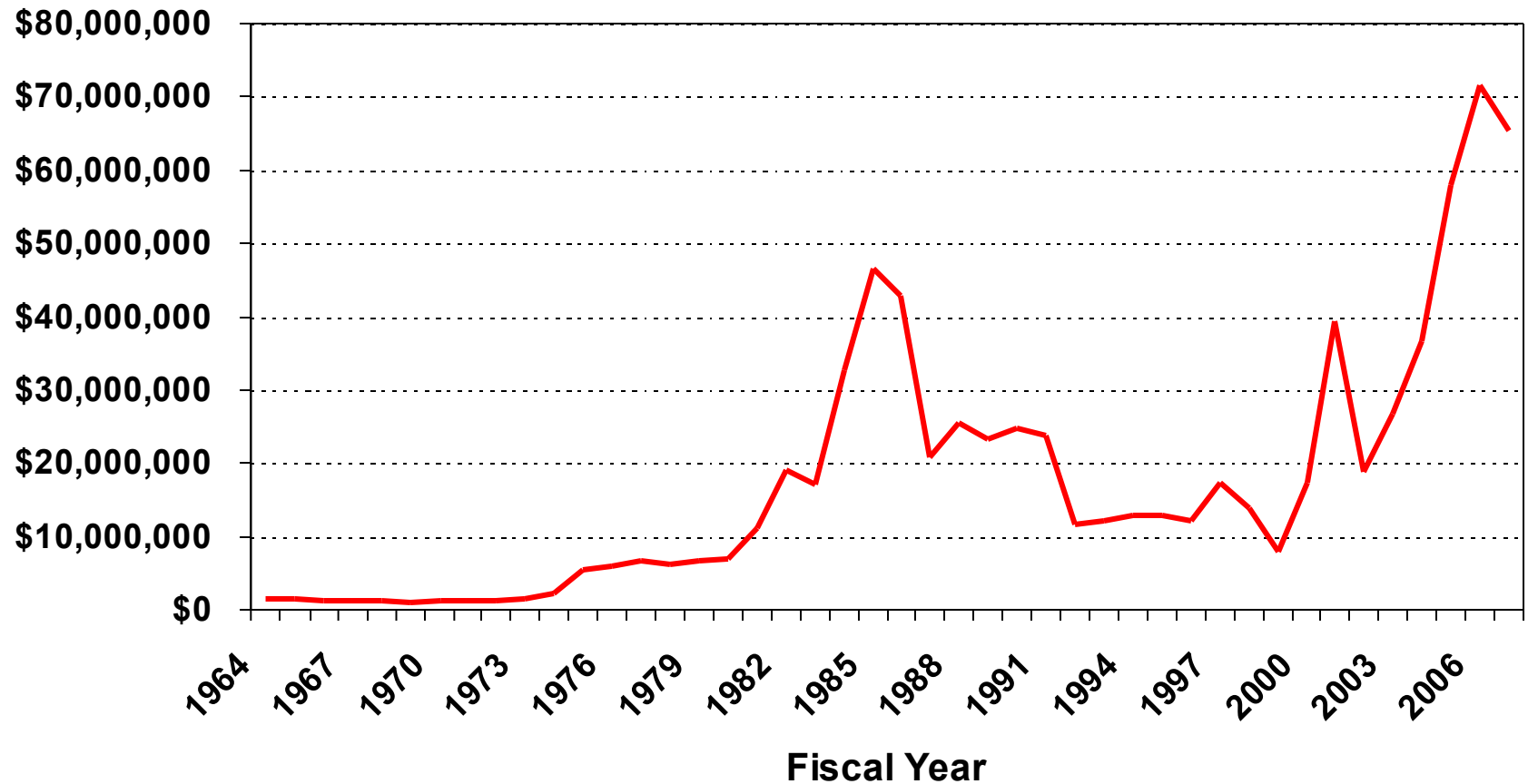
Utah, FY 2006



Total FY 2006 Revenue: \$350,386,001

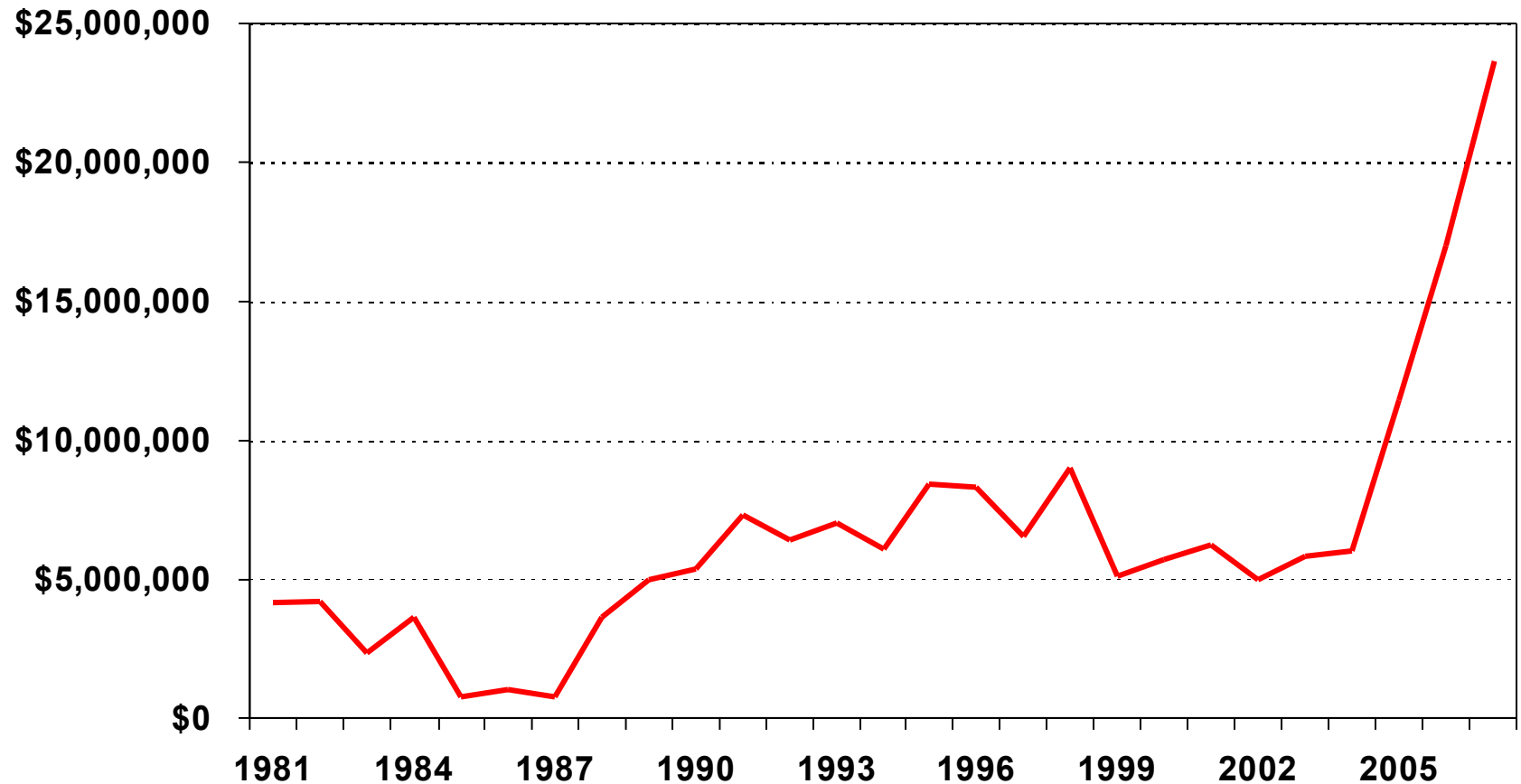
Oil and Gas Severance Tax Revenues

Utah: FY 1964 – FY 2007



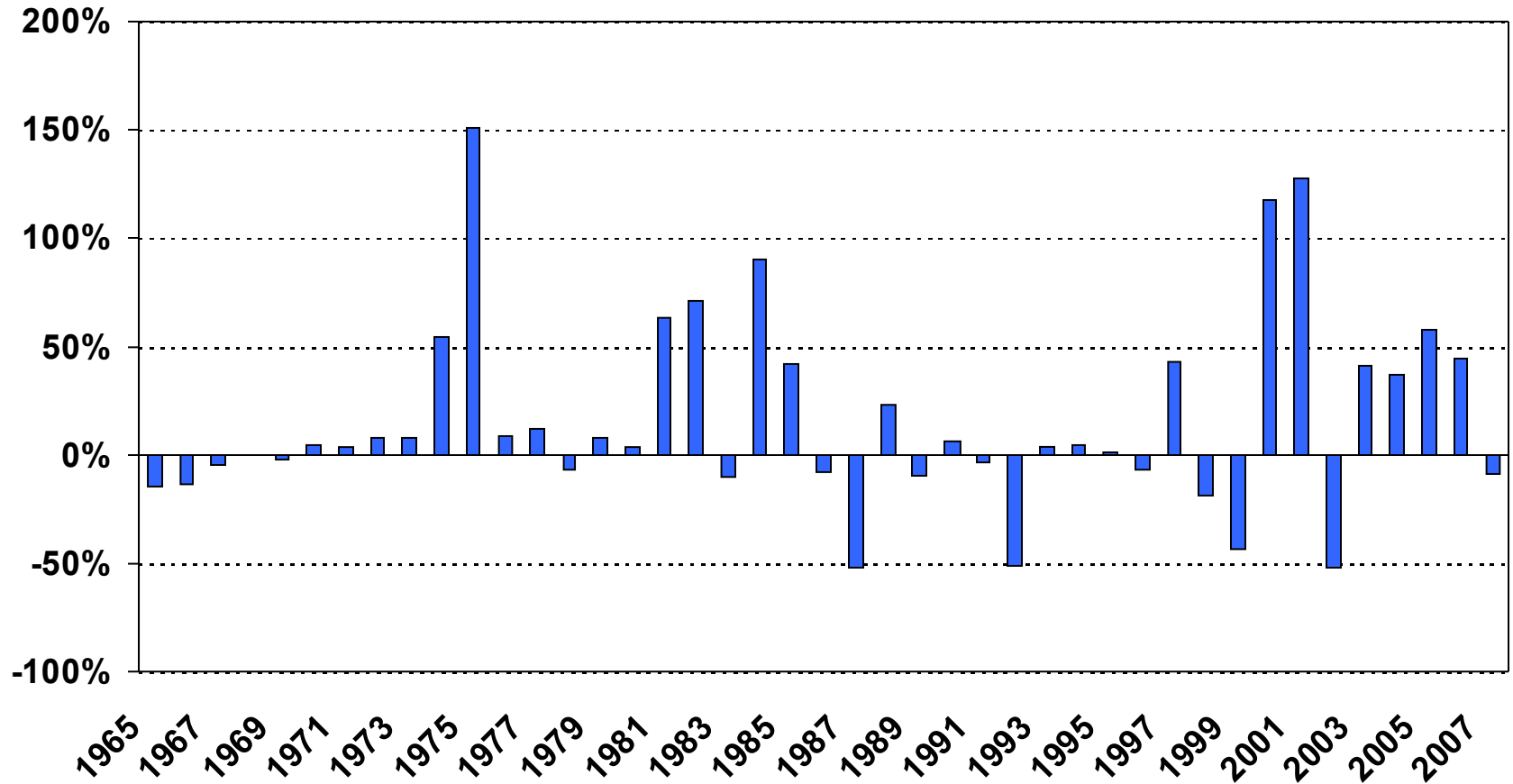
Mining Severance Tax Revenues

Utah: FY 1981 – FY 2007



Oil and Gas Severance Tax Revenues: Percentage Change in Collections Over Prior Year

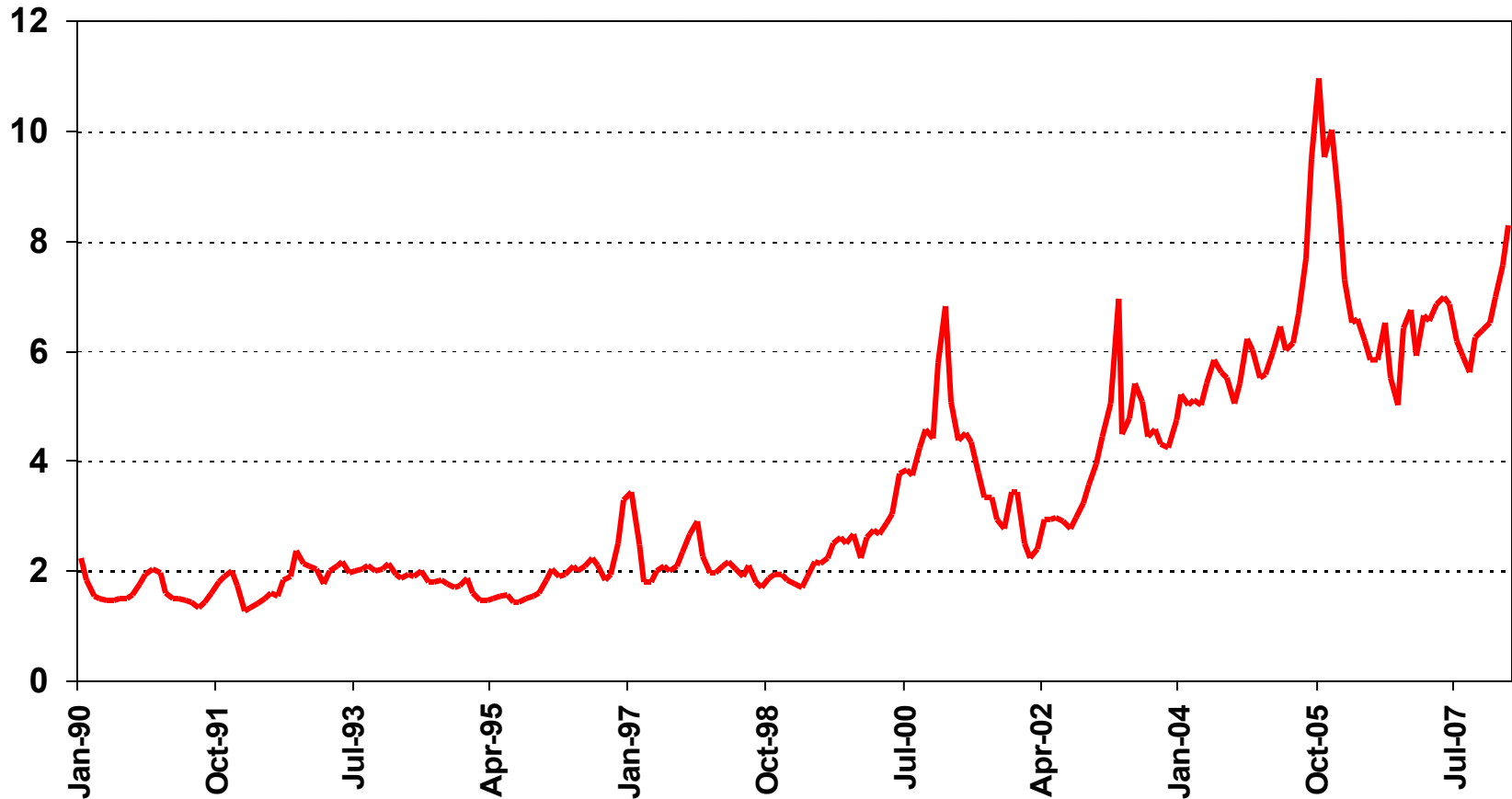
Utah, Fiscal Years 1965 to 2007



US Natural Gas Wellhead Price

\$/MCF (Thousand Cubic Feet)

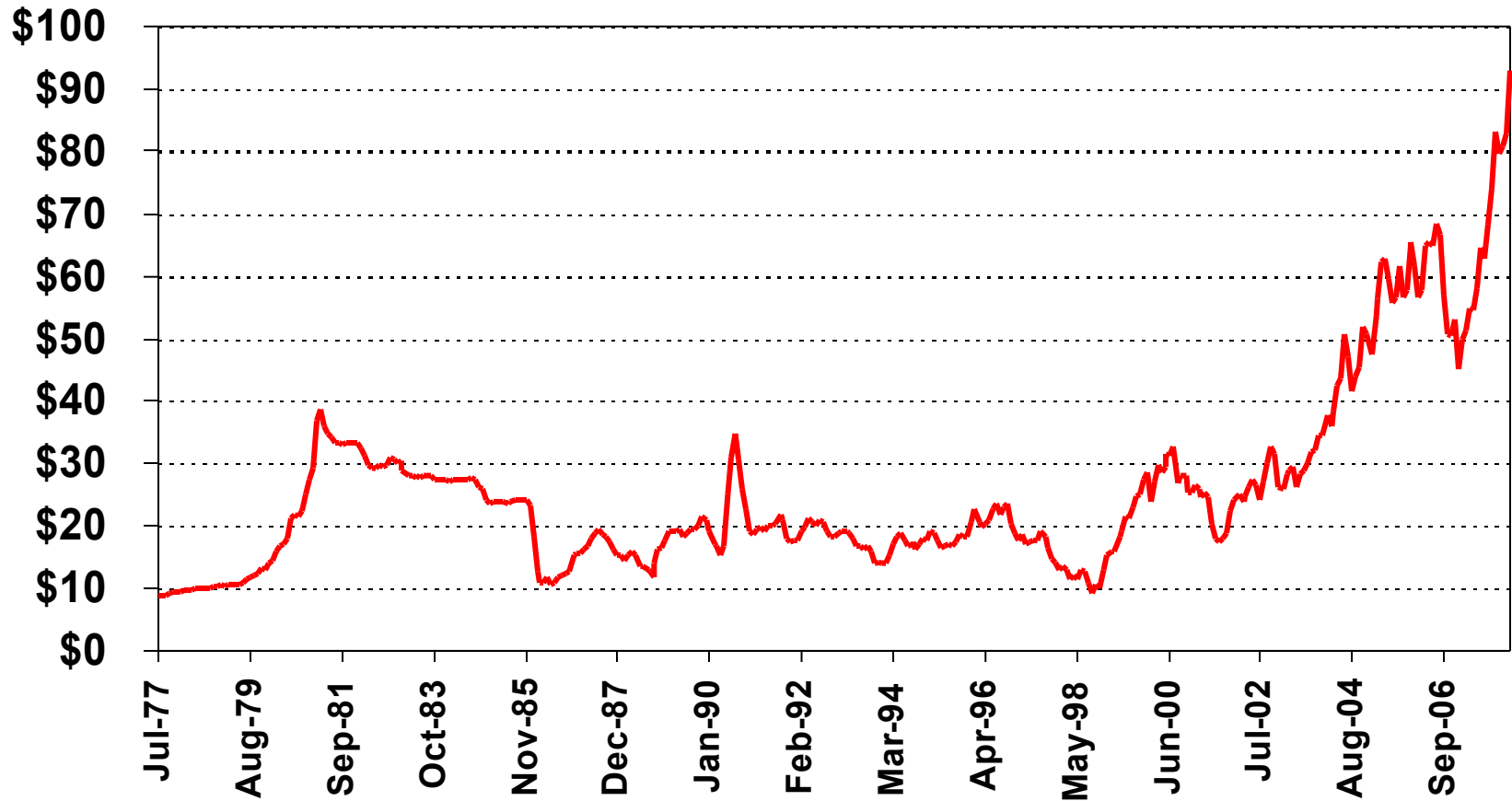
Monthly Average: January 1990 to March 2008



Source: Energy Information Administration, U.S. Department of Energy

Utah Crude Oil Wellhead Acquisition Price by First Purchasers

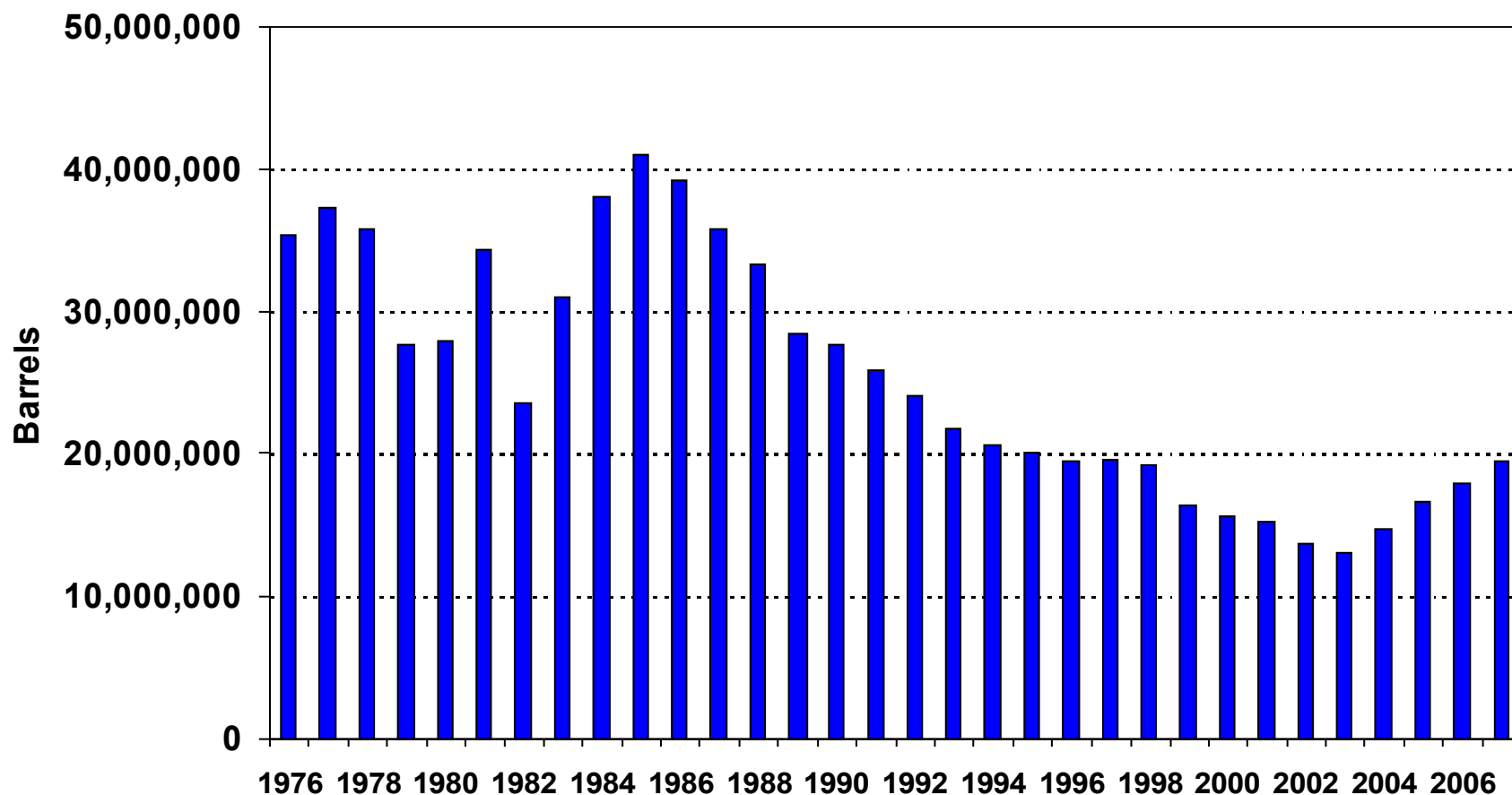
July 1977 to March 2008



Source: Energy Information Administration, U.S. Department of Energy.

Utah Annual Oil Production

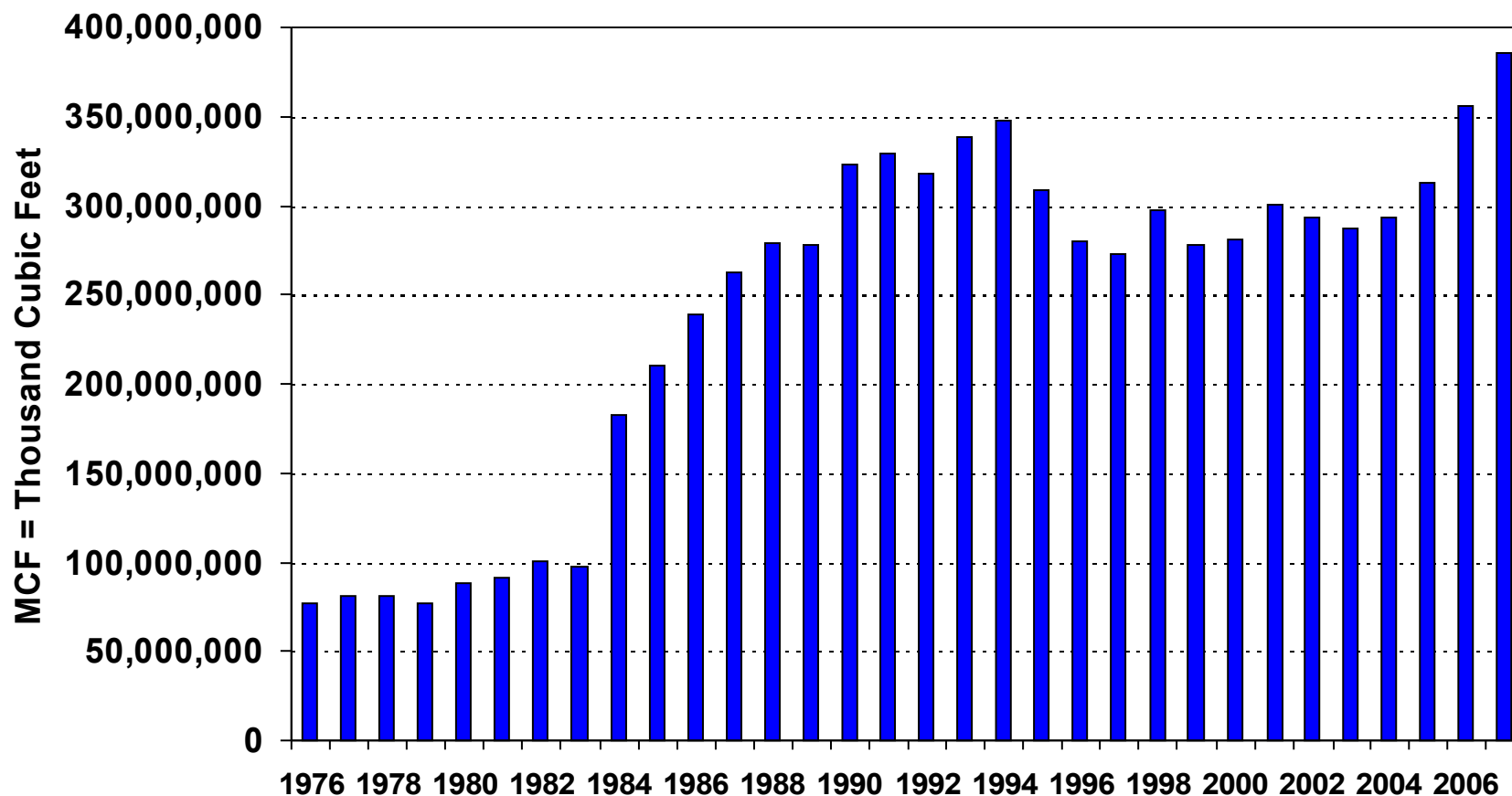
1976 through 2007



Source: Utah Division of Oil, Gas, and Mining

Utah Annual Natural Gas Production

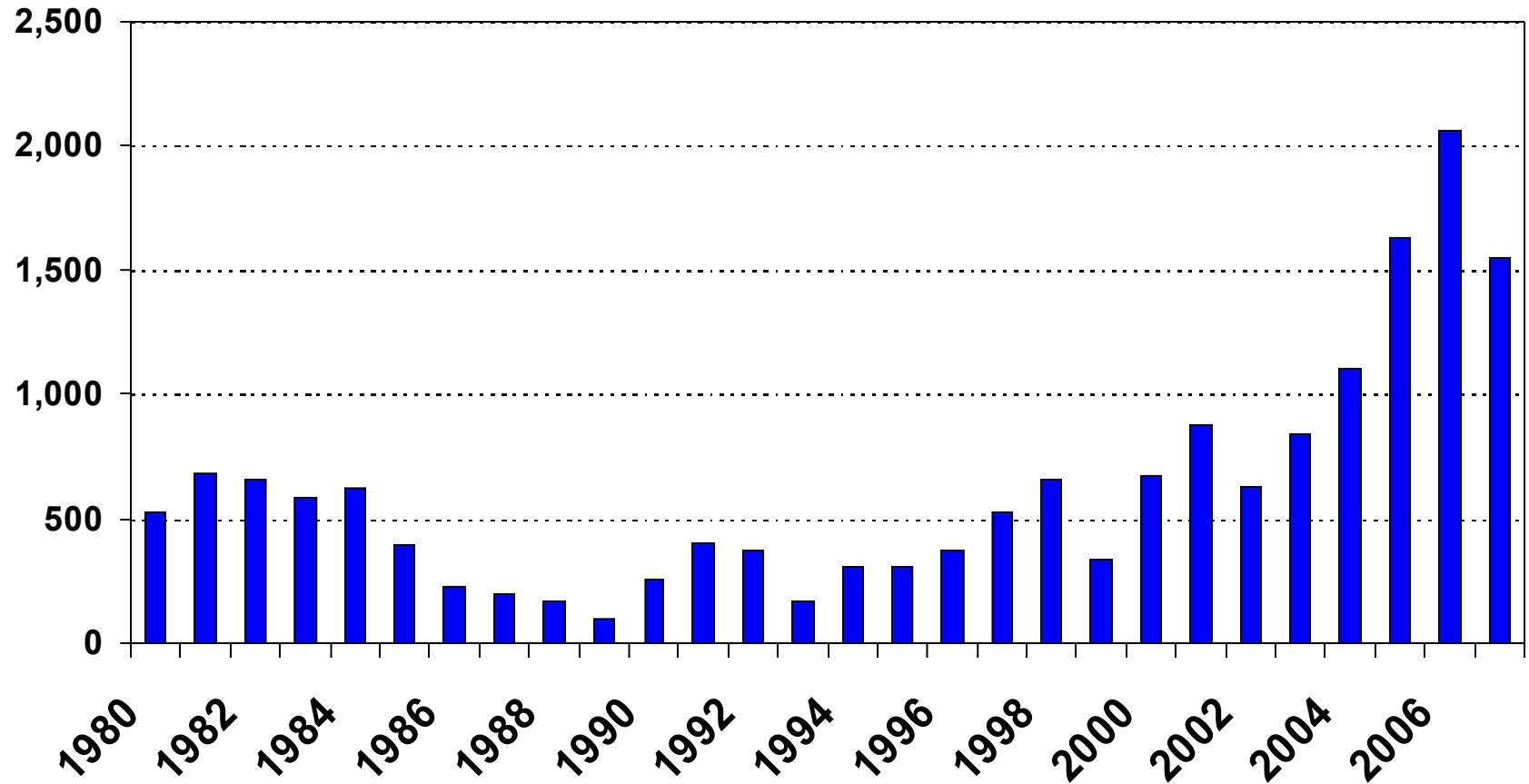
1976 through 2007



Source: Utah Division of Oil, Gas, and Mining

Applications for Permit to Drill

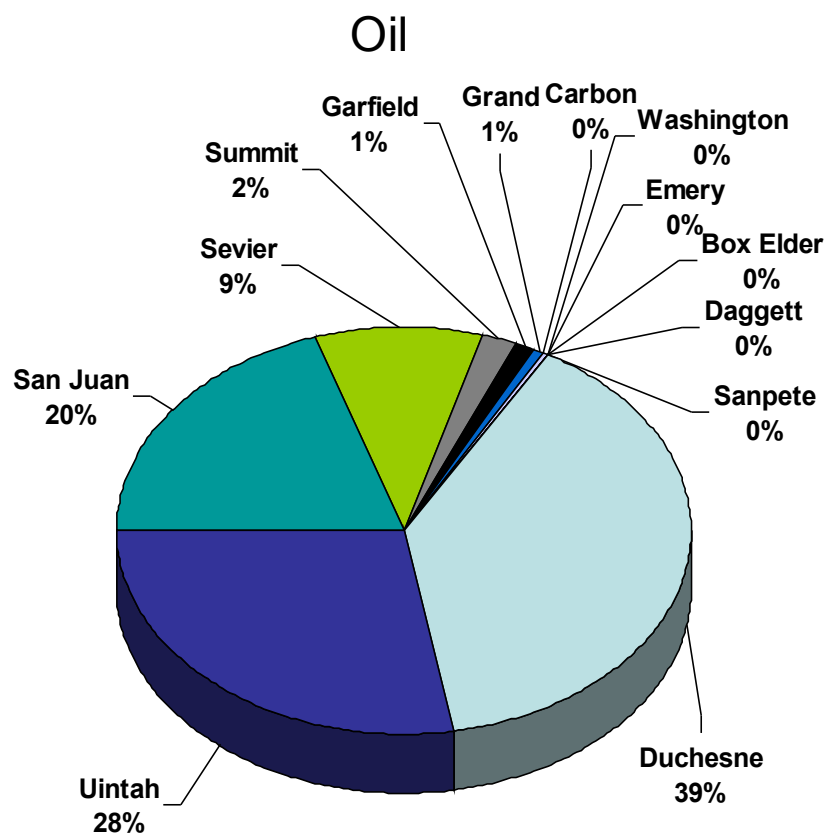
Utah: 1980 to 2007



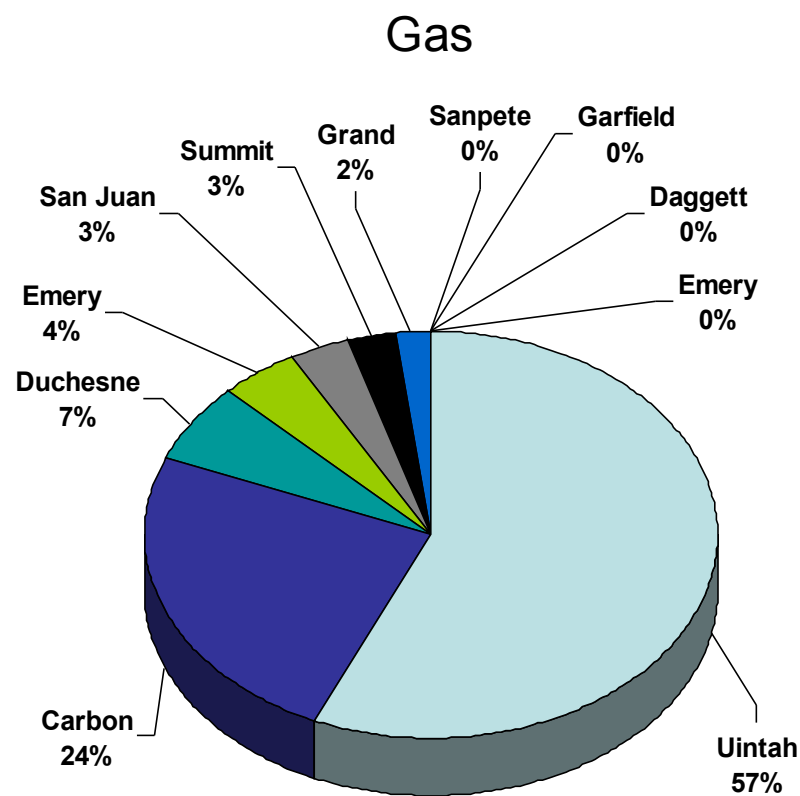
Source: Utah Division of Oil, Gas, and Mining

Oil and Gas Production by County

Utah, 2007

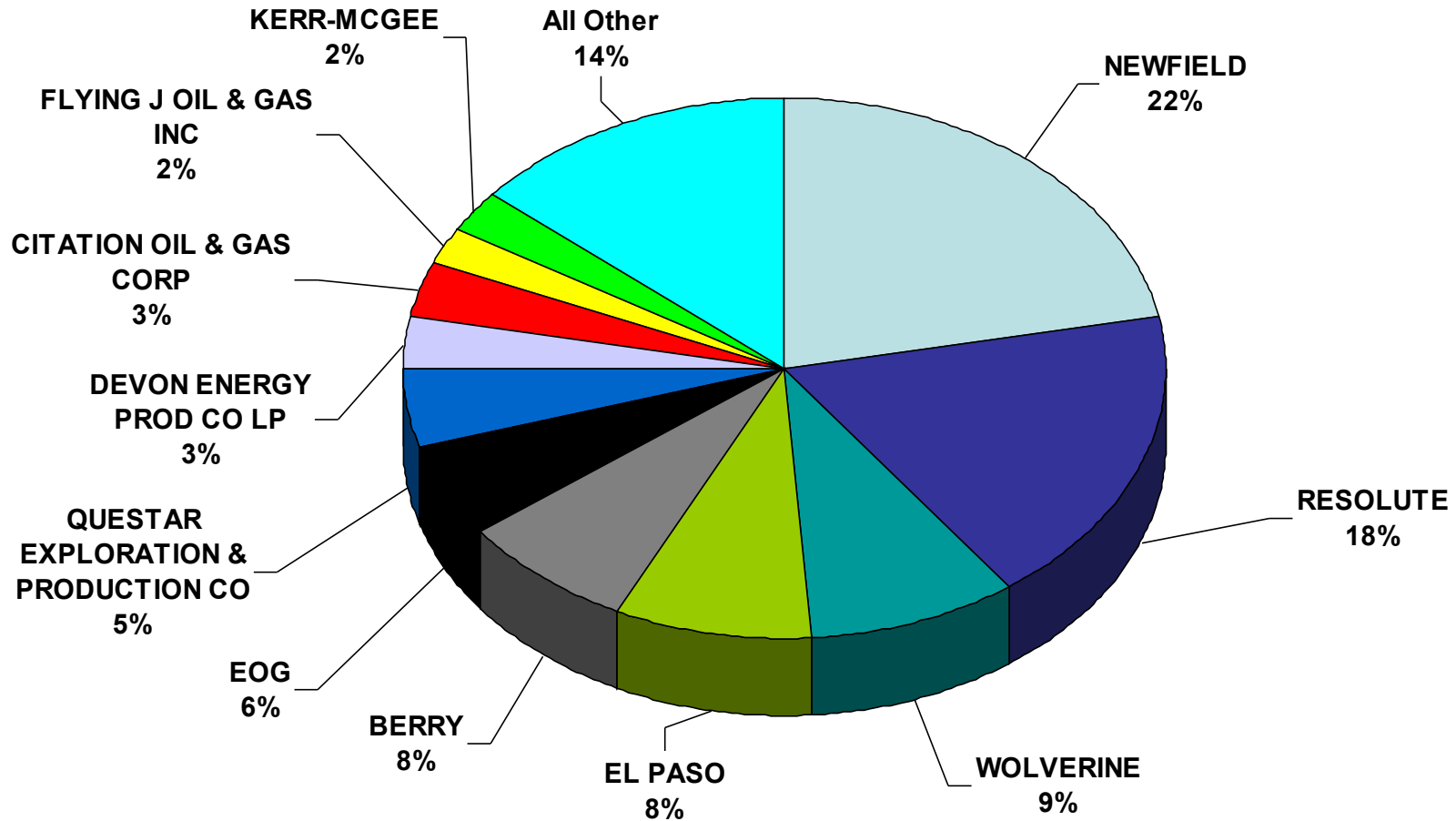


Total Oil Production: 19,523,425
Barrels



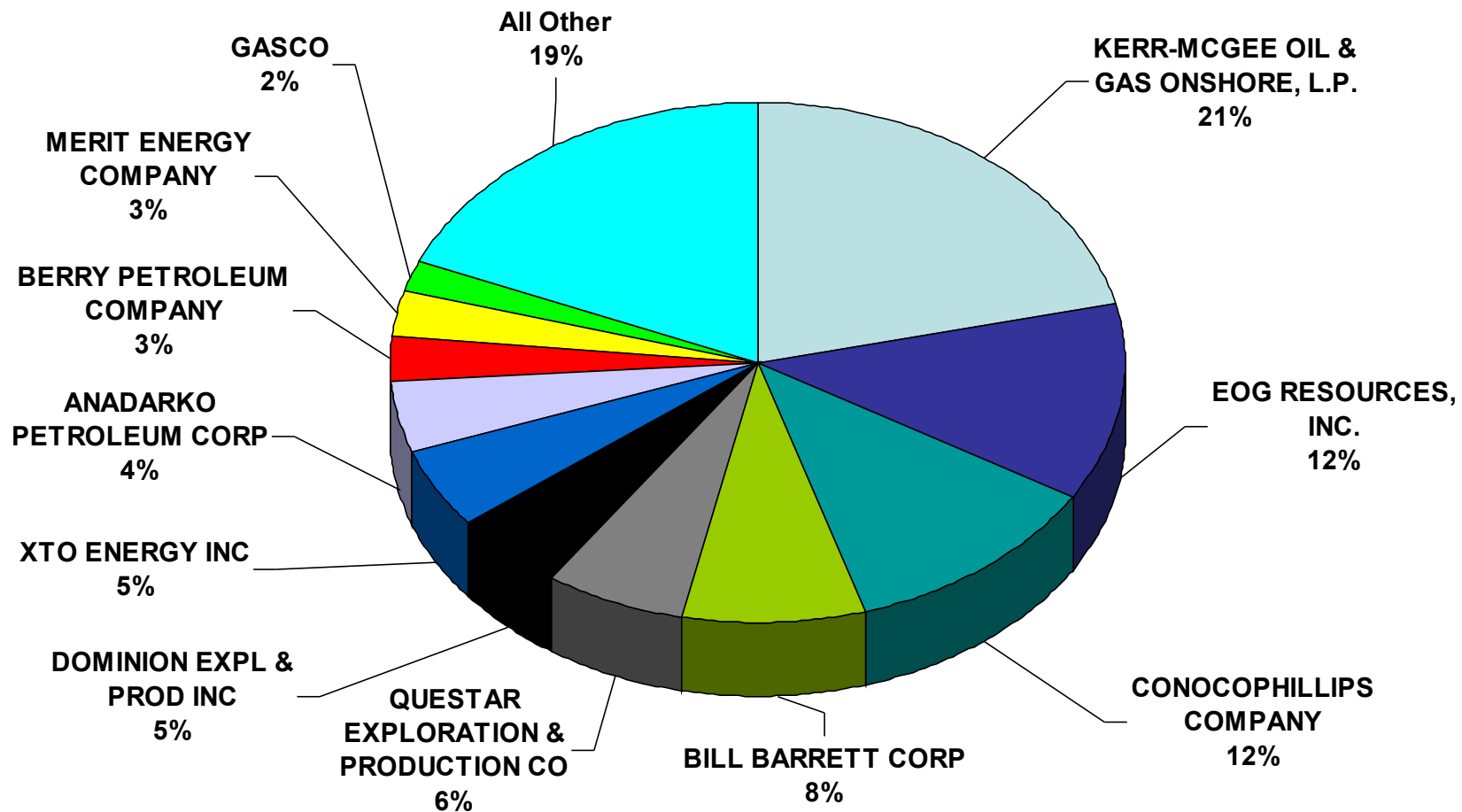
Total Gas Production: 385,238,635
MCF (Thousand Cubic Feet)

Percent of Total Oil Production by Company - Utah, 2007



Source: Utah Division of Oil, Gas, and Mining

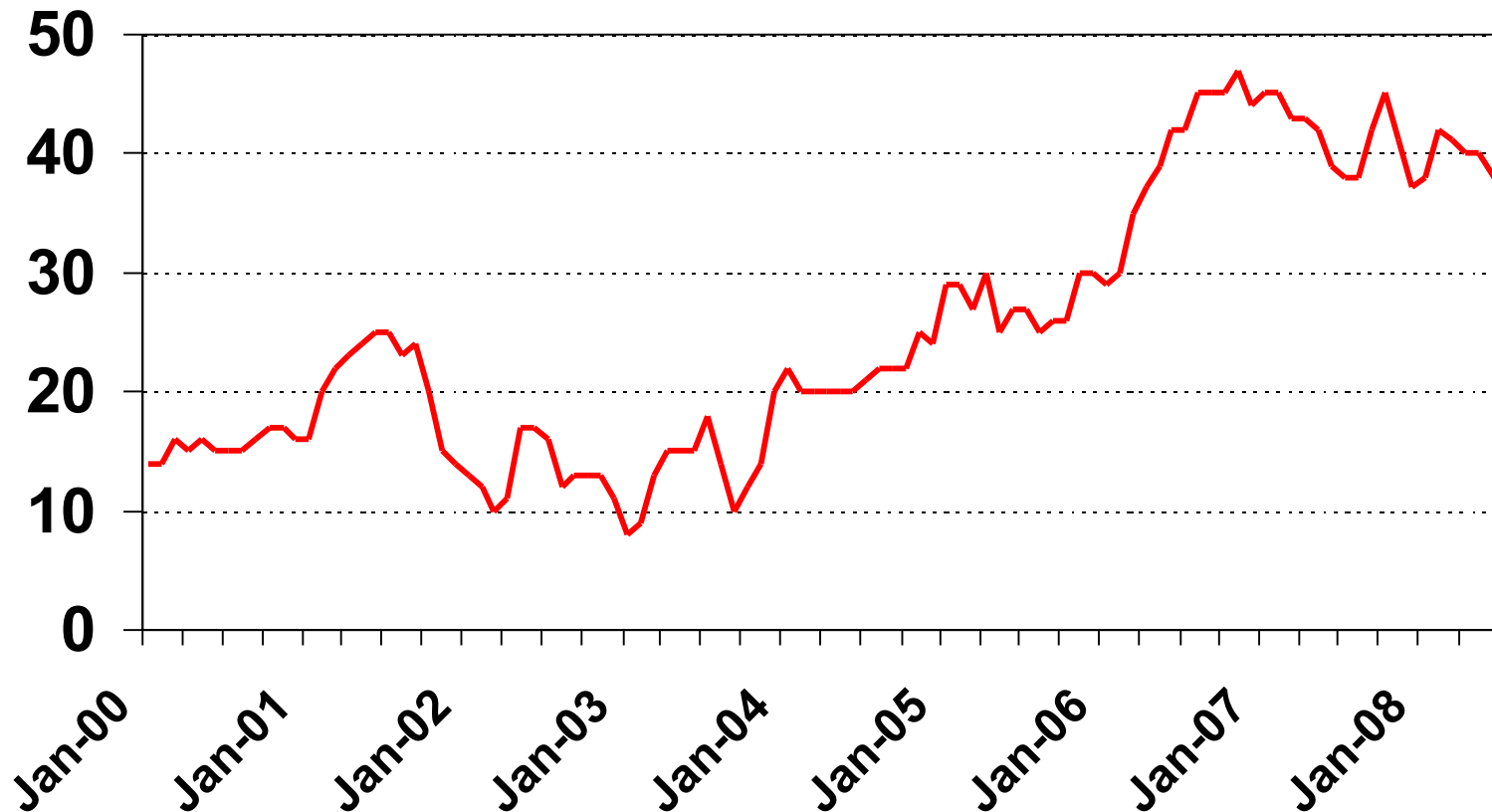
Percent Natural Gas Production by Company – Utah, 2007



Source: Utah Division of Oil, Gas, and Mining

Monthly Average Number of Rotary Rigs

Utah: January 2000 to June 2008



Source: Baker Hughes Rig Count